



Optometry Council of Australia and New Zealand

**Annual Report
July 2017 – June 2018**

CONTENTS

1.0	CORPORATE INFORMATION FOR OPTOMETRY COUNCIL OF AUSTRALIA AND NEW ZEALAND (OCANZ)	1
2.0	CHAIR'S REPORT	2
3.0	QUALITY FRAMEWORK REPORT	3
4.0	ACCREDITATION REPORT	4
5.0	ASSESSMENT OF OVERSEAS TRAINED OPTOMETRISTS REPORT	8
6.0	FINANCE AND RISK REPORT	13
7.0	SPECIAL PURPOSE FINANCIAL REPORT 2017-2018.....	15
7.1	DIRECTORS' REPORT.....	15
7.2	AUDITOR'S INDEPENDENCE DECLARATION	22
7.3	STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2018	23
7.4	STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30TH JUNE 2018	24
7.5	STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2018.....	25
7.6	STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2018.....	26
7.7	NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018.....	27
8.0	DIRECTORS' DECLARATION	33
9.0	INDEPENDENT AUDITOR'S REPORT	34

1.0 CORPORATE INFORMATION FOR OPTOMETRY COUNCIL OF AUSTRALIA AND NEW ZEALAND (OCANZ)

ABN / ACN: ABN 38 074 875 111
ACN 074 875 111

Members: Mr Colin Waldron (nominee of Optometry Board of Australia)
Mr Damien Koppens (nominee of Optometrists and Dispensing Opticians Board)
Mr Wilson Sue (nominee of New Zealand Association of Optometrists)
Dr Michael Pianta (nominee of Accredited Heads of Schools)
Ms Lyn Brodie (nominee of Optometry Australia)

Directors: Mr Mitchell D Anjou (to 15 November 2017)
Professor Emeritus Leo Carney
Dr Andrew Collins (from 15 November 2017)
Mr Peter Grimmer (to 15 November 2017)
Associate Professor Peter Hendicott (Chair)
Ms Wendy Hill
Associate Professor Robert Jacobs (Deputy Chair)
Associate Professor Isabelle Jalbert
Mr Tony Lund
Dr Linda Turner
Dr Lynn Weekes

Company Secretary:
Ms Sian Lewis

Registered Office and Principal Place of Business:

Suite 3, Level 10
167 Queen Street
Melbourne VIC 3000

Auditors: RDL Accountants
60-64 Railway Road
Blackburn VIC 3130

Staff: Ms Sian Lewis, Executive Officer, 0.6FTE
Ms Susan Kelly, Accreditation Manager, 0.4FTE
Ms Lisa Vella, Office Manager, 0.6FTE
Ms Tamara McKenzie, Examination Manager, 0.4FTE

OCANZ as required engages consultants and temporary staff to support the accreditation and examination activities and other OCANZ functions.

2.0 CHAIR'S REPORT

OCANZ continues to play a key role in promoting and protecting the eye health of the public by assuring the quality of optometric education and assessing overseas trained optometrists' competence to practise optometry in the Australian and New Zealand context.

This year a series of external reviews have proposed potential significant changes to OCANZ functions, with the outcomes as yet unknown:

- ❖ The COAG Health Council is yet to consider its response to the 2017 review of accreditation under the National Registration and Accreditation Scheme (NRAS) in Australia. The draft review report proposes more centralised governance of accreditation functions as well as greater consistency in accreditation policies and processes across all regulated health professions;
- ❖ The Australian Government has announced that it will legislate to prevent all professional accreditation bodies scrutinizing education providers in areas assessed by the Tertiary Education and Quality Standards Agency (TEQSA), and proposed that TEQSA will also advise accreditation bodies on measuring institutional performance and quality assurance; and
- ❖ The Australian Health Practitioner Regulation Agency Management Committee has formed a new advisory committee focussed on whole of scheme accreditation issues including governance, accountability and transparency issues, and has in conjunction with National Boards conducted a review of accreditation assignments from mid-2019.

The OCANZ Board has contributed positively to each of these reviews and looks forward to assisting with the implementation of changes which enhance the quality of optometry education and assessment.

OCANZ continues to enjoy collaborative relationships with the Optometry Board of Australia (OBA) and the Optometrists and Dispensing Opticians Board New Zealand (ODOB), for whom we provide accreditation and assessment services. Delivery of our services relies on the indispensable contributions of the OCANZ Members, Directors and the many education, community and optometry professionals who support the work of OCANZ. During the year, OCANZ saw several changes in the people who play a role in governing OCANZ. I thank in particular outgoing Directors Mitchell Anjou and Peter Grimmer for their significant involvement in and contribution to the work of the OCANZ Board of Directors.

During the year the Board developed a new strategic plan for the period July 2018–June 2023 as well as supporting delivery of the following key outputs:

- ✓ New Accreditation Standards for programs of study in ocular therapeutics came into effect on 1 January 2018, with training provided re same.
- ✓ The key elements of a shared risk management framework for accrediting programs of study were tested in a joint workshop organised by OCANZ for stakeholders from five regulated health professions. There will be ongoing joint work on risk-managed accreditation next financial year to inform the revision of the OCANZ accreditation procedures manual.
- ✓ A revised and enhanced Competency in Optometry Examination was implemented for the first time in June 2018. This involved the reorganisation of the skills and patient examinations; new guides for examiners and students and associated training; and the development of a new question writing guide and additional questions. Additional quality assurance oversight assisted with the resolution of minor implementation issues. Proposed refinements for future examination sessions are currently being implemented.
- ✓ The Board continued to invest in infrastructure and business processes. During the year the OCANZ examination item banks moved to external hosting, the OCANZ website was upgraded, and OCANZ financial reporting systems were streamlined using MYOB software.

The Board has commenced vital work to help close the gap on Indigenous health in Australia and New Zealand. OCANZ has just signed the NRAS Aboriginal and Torres Strait Islander Health Strategy Statement of Intent and during the year completed a pilot project to develop the Optometry Aboriginal and Torres Strait Islander Health Curriculum Framework, which the Board will adopt for national roll-out by end 2018. Our new strategic plan will support work in this important area for the next five years.

OCANZ is very well served by its excellent staff Susan Kelly, Tamara McKenzie and Lisa Vella, led by Executive Officer Sian Lewis. Their ongoing professionalism and hard work makes a major contribution to the achievement of the Board's strategic directions and I thank them particularly for their contribution.

Associate Professor Peter Hendicott, Chair

3.0 QUALITY FRAMEWORK REPORT

OCANZ reports to the Optometry Board of Australia (OBA) and the Optometrists and Dispensing Opticians Board (ODOB) against a Quality Framework for the Accreditation Function (Quality Framework) that was developed in Australia. The Quality Framework has the following eight domains. A summary of how OCANZ meets the requirements of each domain follows.

Governance

OCANZ has a robust governance structure with well-defined governance policies and processes in place that ensure that OCANZ meets its legislative and statutory obligations. The Board of Directors of OCANZ has adopted a new strategic plan for July 2018-June 2023 which is supported each year by an annual business plan. Directors review progress against the annual business plan at every OCANZ Board meeting. A joint meeting with the Members is held annually to discuss strategic and operational issues.

Independence

There are clear procedures in place for ensuring the independence of OCANZ's activities, including identifying and managing conflicts of interest, complaints and appeals. One appeal about an examination issue was received and resolved during the year.

Operational management

OCANZ employs its own staff to provide administrative and executive services to the organisation, which it supplements by the use of consulting and professional services, including academic experts, external accountants and information technology support services. One staff position, OCANZ Office Manager, changed at the start of the year. In 2017-2018, separate external consultancies supported joint work with other accreditation councils to examine a possible shared risk management framework for the accreditation of programs of study and the development of an optometry Aboriginal and Torres Strait Islander Health Curriculum Framework. A number of academic experts supported the implementation of enhancements to the assessment of overseas trained optometrists.

Accreditation standards

Revised accreditation standards for programs of study in ocular therapeutics approved during the previous year became operational.

Processes for accreditation of education providers and programs of study

OCANZ continued to accredit eight programs at seven institutions against standards for the accreditation of optometry programs that OCANZ develops, maintains and applies. We commenced assessing an application to deliver a new entry-level program. OCANZ has clearly defined procedures to ensure consistency, transparency and equity in undertaking accreditation decisions. These ensure fair assessment panel selection and robust accreditation decisions as well as the engagement of education providers in the ongoing quality improvement of optometry programs of study through annual reporting and monitoring. Accreditation assessments are detailed in section 4.0 of this report.

Assessing authorities in other countries

This domain is not applicable because OCANZ assesses the competence of overseas trained optometrists as described below rather than evaluating assessing authorities in other countries.

Assessing overseas qualified practitioners

OCANZ assesses overseas trained optometrists by evaluating their qualifications and the subsequent conduct of standardised written and clinical examinations. During the year, a range of process improvements were implemented. 40 candidates attempted the written and clinical components of the OCANZ Competence in Optometry Examination in 2017-2018. More detailed examination information and statistics are presented in section 5.0 of this report.

Stakeholder collaboration

OCANZ mechanisms in place to build stakeholder support and collaboration include active membership of the Health Professions Accreditation Collaborative Forum.

4.0 ACCREDITATION REPORT

Purpose

OCANZ assesses, for the purposes of accreditation, programs designed to produce graduates suitable for registration as optometrists in Australia or New Zealand. The accreditation process assesses whether a program of study, and the education provider that provides the program of study, is able to deliver graduates with the knowledge, skills and attributes to meet standards required for competent professional practice and with the necessary skills to maintain those competencies.

Accreditation Committee

The Accreditation Committee makes recommendations to the OCANZ Board on matters concerning the accreditation of entry-level and ocular therapeutics training in Australia and New Zealand. The committee is responsible for implementing and administering accreditation in accordance with set procedures and standards.

The committee's roles include:

- to help develop and maintain OCANZ Accreditation Standards
- to oversee the accreditation assessments of programs and education providers by assessment teams which have been recommended by the committee and appointed by the OCANZ Board
- to review and approve the annual reports and evaluation reports from accredited programs
- to report decisions and recommendations to the OCANZ Board
- to regularly review and evaluate the accreditation process to ensure fairness, transparency and conformity with good practice.

In 2017-2018, there were three meetings of the Accreditation Committee. The committee comprises 6 members. The term of appointment for each committee member is two years. Members are eligible for re-appointment on two occasions only (maximum of six years in total), unless otherwise determined by the OCANZ Board. Dr Mark Feltham's third and final term on the Accreditation Committee expired on 16 March 2018, with Emeritus Professor Leo Carney subsequently appointed by the OCANZ Board to this vacancy.

Member	Date of Commencement	No. meetings eligible to attend	No. attended
Mr Peter Grimmer (Chair)	21/08/ 2015	3	3
Dr Andrew Anderson	04/12/2015	3	2
Professor Stephen Dain	07/08/2012	3	1
Ms Vivian Edgar	07/08/2012	3	3
Dr Mark Feltham	15/03/2013	3	3
Dr Linda Turner	03/05/2017	3	3
Emeritus Professor Leo Carney	16/03/2018	0	0

Accreditation Standards

OCANZ accreditation standards are focussed on outcomes and are in harmony with and operate alongside the Tertiary Education Quality and Standards Agency (TEQSA) *Higher Education Standards Framework*. OCANZ is one of several Accreditation Councils which have consulted on and subsequently adopted largely in-common accreditation standards for its programs of study. The standards include guidance notes which are profession-specific and have been developed in collaboration with our stakeholders.

Entry-level Standards

The OCANZ Standards and Evidence Guide for Entry-Level Optometry Programs were approved by the Optometry Board of Australia in July 2016 and became effective on 1 January 2017. The Standards explicitly address government priorities such as interprofessional learning and cultural competence and ask providers

how they are training optometrists to meet future health care needs. They require entry-level programs of study in optometry to be aligned with the cross-disciplinary *Threshold Learning Outcomes (TLOs) for Health, Medicine and Veterinary Science*. In June 2017 OCANZ conducted its first re-accreditation assessment under the new Standards of the University of Auckland optometry program.

Ocular Therapeutic Standards

The OCANZ Standards for Programs of Study in Ocular Therapeutics were approved by the OCANZ Board and the Optometry Board of Australia last year and became effective on 1 January 2018. The standards for programs of study in ocular therapeutics have been aligned with the entry-level standards to minimise duplication and overlap for providers. During the year OCANZ staff conducted training in the requirements of the new standards for the two education providers that offer accredited programs of study in Ocular Therapeutics.

Accredited Programs of Study

OCANZ publishes summaries of accreditation reports after the reports have been approved by the OCANZ Board. The summary reports are on the OCANZ website at <http://ocanz.org/accreditation/accredited-programs-of-study>

New Programs

The University of Canberra notified OCANZ early in 2017 of its interest in being accredited to deliver an entry-level optometry program from 2018. The program first enrolled students in 2018. The University has submitted a Stage 1 accreditation submission for evaluation which is currently being assessed by an expert accreditation assessment team appointed by the OCANZ Board.

Programs Examined by Assessment Teams and/or Accreditation Committee during 2017-2018

University of Auckland

Program: Bachelor of Optometry

Accreditation Status: Accredited until 31 December 2025 with conditions

An assessment team conducted a three-day site visit to the University in June 2017, recommending that the program be accredited for another eight years until end 2025. The assessment team's report was endorsed by the OCANZ Accreditation Committee in July 2017 and by the OCANZ Board in August 2017.

Two conditions of accreditation are in place, one to monitor curriculum changes in train but not yet implemented and the other to monitor clinical training provision due to the pending closure of one on-campus clinic previously operated by the University. The conditions will be addressed in the program's 2018, 2019 and 2020 Annual Reports to OCANZ.

Deakin University

Program: Bachelor of Vision Science and Master of Optometry

Accreditation Status: Accredited with conditions until 31 July 2019

Deakin's program is subject to three conditions of accreditation which are regularly monitored by the OCANZ Accreditation Committee through consideration of annual reports and mid-year progress reports.

The conditions all relate to Deakin's clinical placement arrangements. Deakin reported progress towards meeting all three conditions during the year. The Accreditation Committee produced a report on the conditions which was approved by the OCANZ Board in April 2018. The report requires ongoing monitoring by OCANZ and reporting by Deakin with respect to the conditions.

Flinders University

Program: Bachelor of Medical Science (Vision Science) and Master of Optometry

Accreditation Status: Accredited with one condition until 31 December 2023

The Flinders program is being monitored with respect to staffing.

During the year Flinders also informed OCANZ of a change in academic organisation structure at the University and the creation of a new entry pathway into the second year of the Flinders optometry program for students completing their first year at specified other universities.

An assessment team was appointed to conduct a site visit to review the staffing of the program and the other recent changes. The site visit took place in June 2018. The assessment team's report was endorsed by the OCANZ Accreditation Committee in July 2018 and by the OCANZ Board in August 2018. Two conditions of accreditation are now in place, one to produce and then implement a workforce plan to address a range of issues related to the staffing of the program and the second to compare over time the progress of students entering through all entry pathways.

University of New South Wales

Program: Bachelor of Vision Science and Master of Clinical Optometry

Accreditation Status: Accredited until 31 December 2019

A major change assessment was carried out by an assessment team in 2017 to evaluate the optometry program changing from a double bachelor degree program to a Bachelor of Vision Science and Master of Clinical Optometry. In their October 2017 report, the assessment team recommended that the changed program should be accredited to 31 December 2019, subject to satisfactory unit outlines for each of the revised units of study in the changed program being provided in UNSW's 2017 and 2018 annual reports to OCANZ. The OCANZ Accreditation Committee and the OCANZ Board adopted the recommendation of the assessment team.

UNSW subsequently provided 2018 unit outlines as part of its 2017 annual report. The Accreditation Committee has reported to the Board that it had no concerns with the 2018 outlines, with the 2019 outlines to be provided for evaluation in the UNSW 2018 annual report to OCANZ. A full reaccreditation of the program is scheduled for July 2019.

Routine Monitoring of Programs

Monitoring of all accredited programs of study is conducted through receipt of annual reports. In addition to the programs mentioned above, the following programs were monitored:

University of Melbourne

Program: Doctor of Optometry

Accreditation Status: Accredited with no conditions until 31 December 2023

Program was accredited in 2015 for eight years with no conditions.

University of New South Wales

Program: Graduate Certificate in Ocular Therapeutics

Accreditation Status: Accredited with no conditions until 31 December 2024

Program was accredited in 2016 for eight years with no conditions.

Australian College of Optometry

Program: Australian College of Optometry Certificate in Ocular Therapeutics (ACO-COT)

Accreditation Status: Accredited until 31 December 2021

Program was accredited in 2013 for eight years with no conditions.

Queensland University of Technology

Program: Bachelor of Vision Science and Master of Optometry

Accreditation Status: Accredited until 31 December 2022

Program was accredited in 2014 for eight years with no conditions.

Collaborative work with other Accreditation Councils in the NRAS Scheme

In 2017-2018 OCANZ has been active in the following projects:

- building on work done in the nursing and midwifery professions, OCANZ collaborated with Victorian optometry providers to pilot the development of an Optometry Aboriginal and Torres Strait Islander Health Curriculum Framework as part of the OCANZ Board's commitment to ensuring that accredited programs of study produce culturally safe graduates. The Optometry Framework will be launched nationally next year;
- together with four other accreditation authorities in the National Scheme, OCANZ is leading a project to develop a shared risk management framework for consideration/application by each Accreditation Council/Committee as is appropriate for their health profession. The project will continue next year and lead to a revision of the OCANZ accreditation procedures manual; and
- through the work of the Accreditation Managers' sub-committee of the Health Professions Accreditation Collaborative Forum, OCANZ has introduced standardised feedback forms for assessment teams and education providers and continues to share and implement common assessment elements. The OCANZ Accreditation Manager is leading a project of the sub-committee to help standardise the definitions and terminology used to obtain information from education providers annually.

5.0 ASSESSMENT OF OVERSEAS TRAINED OPTOMETRISTS REPORT

Purpose

O CANZ undertakes assessments of overseas trained optometrists wishing to obtain registration and ocular therapeutic endorsement in Australia and/or New Zealand. In addition, O CANZ undertakes assessments for optometry graduates who are seeking skilled migration to Australia.

Assessment for Skilled Migration to Australia

A person intending to migrate to Australia under the skilled migration program must obtain a skills assessment before applying to the Australian Department of Home Affairs. O CANZ is currently the assessing authority for the optometry profession. Skills assessments can be issued by O CANZ to people registered with the Optometry Board of Australia (OBA), and/or who have successfully completed the COE. In 2017/18 O CANZ provided 26 positive skills assessments.

Eligibility for the Competency in Optometry Examination (COE)

During the year 31 people applied and were deemed eligible to sit the COE compared to 33 eligible applications assessed in 2016-2017 and 23 eligible applications assessed in 2015-2016. This included 21 applications received from optometrists holding a qualification in optometry that entitles automatic admission to the examination and 10 applications which required individual assessment and were subsequently deemed eligible to sit the COE. 4 other applications were assessed as not eligible.

Eligible applications for Competency in Optometry Examination by Country of Institution

Country of Institution	UK	South Africa	Hong Kong	Ireland	India	Nepal	Pakistan	Korea	Colombia
No. Eligible Applications	13	5	2	1	0	0	0	0	0
(no. individually assessed)		(2)			(4)	(1)	(1)	(1)	(1)

Examination Eligibility Committee

The O CANZ Examination Eligibility Committee (EEC) undertakes a qualification assessment for all applicants who do not hold a qualification in optometry that allows automatic admission to the Competency in Optometry Examination. The committee works predominantly by email to assess individual applications and met twice during the period.

The committee comprises three members appointed by the Board. The term of appointment for each committee member is two years. Members are eligible for re-appointment on two occasions only (maximum of six years in total), unless otherwise determined by the O CANZ Board. Due to the expert nature of the assessment work undertaken by the committee members, the Board had previously extended Mr Bill Robertson's term on the committee until 16 March 2019. The Board also extended Associate Professor Rob Jacobs term until 16 March 2020. Ms Alissa Maillet was appointed for 12 months from 16th March 2018 to work shadow the deliberations of existing committee members.

Member	Date of Commencement	No. meetings eligible to attend	No. attended
Mr Bill Robertson (Chair)	16/03/2012	2	2
Associate Professor Rob Jacobs	16/03/2012	2	2
Dr Stephen Vincent	18/09/2014	2	2

Examination Committee

The Examination Committee oversees the conduct of, and makes recommendations on, matters concerning the Competency in Optometry Examination and the Assessment of Competence in Ocular Therapeutics

examination of overseas trained optometrists. Members of the Examination Committee also serve on sub-committees, one focussed on the written components of the examination (written sc) and the other on the clinical components of the examination (clinical sc).

The committee comprised six members appointed by the Board. Dr Geraint Phillips was appointed to the Committee on 1 January 2018 to replace Mr John McLennan. The committee met twice during the reporting period and there were also 5 sub-committee meetings. The sub-committees also approved the results of each examination session by teleconference and/or email.

Member	Attending	Date of Commencement	No. meetings eligible to attend (incl. sub-committees)	No. attended
Associate Professor Isabelle Jalbert (Chair)	Exam Committee; both sc	01/01/2017	7	7
Dr Simon Backhouse	Exam Committee; written sc	01/01/2017	4	4
Mr Neville Chiavaroli	Exam Committee; written sc	01/01/2017	4	4
Ms Anthea Cochrane	Exam Committee; clinical sc	01/01/2017	5	5
Associate Professor Katrina Schmid	Exam Committee; written sc	01/01/2017	4	4
Mr John McLennan	Exam Committee; clinical sc	01/01/2017	2	1
Dr Geraint Phillips	Exam Committee; clinical sc	01/01/2018	2	2

Types of Exams

Competency in Optometry Examination (COE)

OCANZ has been conducting the Competency in Optometry Examination (COE) twice yearly since 1997. The COE tests the ability of overseas trained optometrists in the Optometry Australia's University Entry-level Competency Standards for Optometry, excluding the specific skills to be endorsed for ocular therapeutics. The COE is in four parts, two written and two clinical:

- Candidates who have previously been deemed eligible to sit the examination are required to pass two written papers before being able to proceed to the clinical section of the examination. The first paper, a multiple-choice question examination (MCQ) focuses on clinical science. The second paper, a short-answer question examination (SAQ) focuses on diagnosis and management. The Written Examination is held simultaneously at 8 venues (Melbourne, Sydney, Brisbane, Perth, Auckland, Johannesburg, London & Washington) over two days. The written examination was held in September 2017 and March 2018.
- The clinical examination comprises two parts – the skills testing examination and the patient examination. The candidate is required to pass the skills testing component before being able to proceed to the patient examination. The skills exam tests each candidate's ability to perform optometric techniques. All skills must be passed. The patient exam requires the candidate to conduct four patient examinations in a clinical setting. The candidate is required to achieve a pass in 3 out of 4 patient examinations. The clinical examination component of the COE is undertaken at the Australian College of Optometry in Melbourne in accordance with OCANZ requirements, and was held in November 2017 and June 2018.

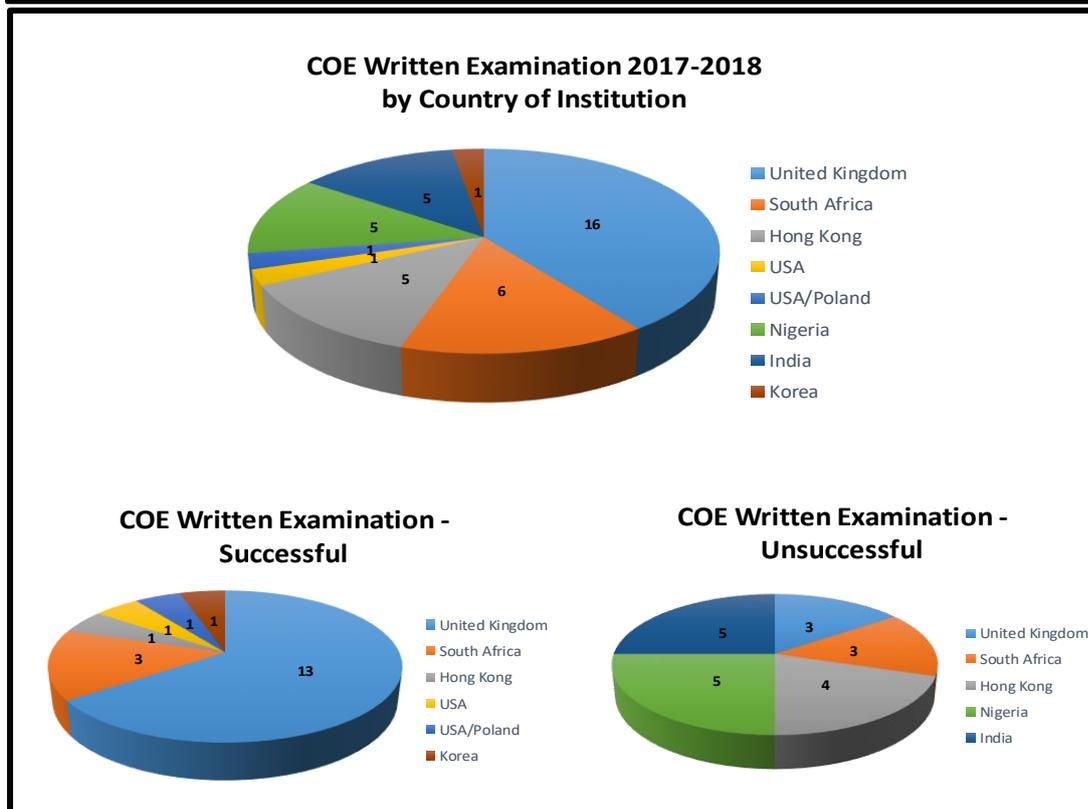
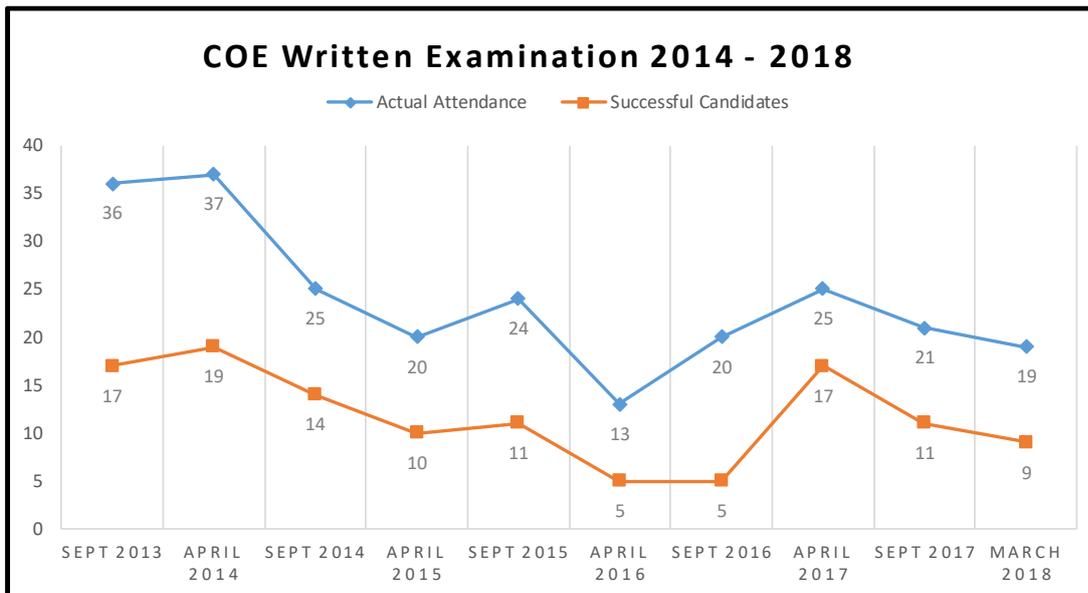
Candidates who pass the COE are eligible to apply for limited registration with the Optometry Board of Australia and provisional registration with the Optometrists and Dispensing Opticians Board in New Zealand and must then complete either the Assessment of Competence in Ocular Therapeutics (ACOT) examination or an accredited program in ocular therapeutics within specified timeframes to gain full registration.

Assessment of Competence in Ocular Therapeutics (ACOT)

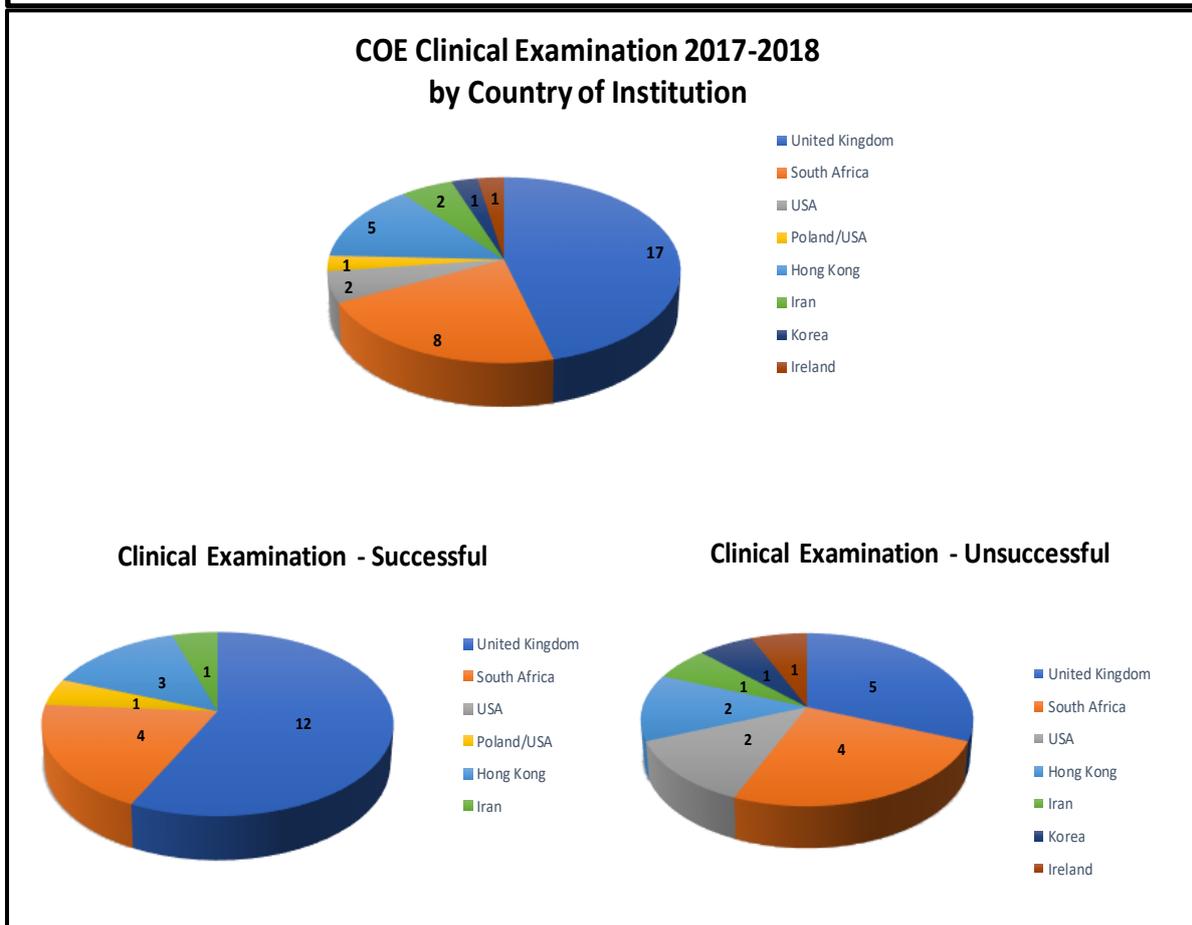
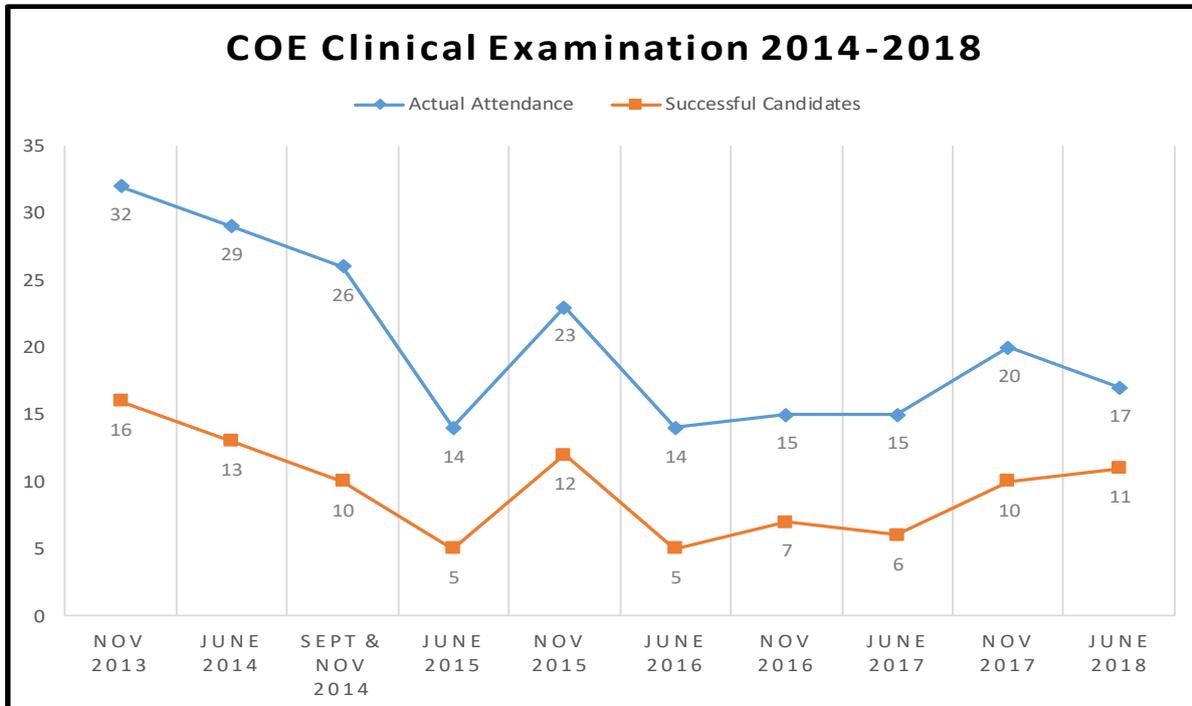
The purpose of this examination is to assess competence in Ocular Therapeutics (ACOT). To do this, candidates must demonstrate safe and competent use of ophthalmic therapeutic agents for a primary practice setting in the Australian or New Zealand situation. Candidates are required to prepare three case reports for assessment and sit an oral examination. Three candidates undertook this examination during 2017-2018 and all three passed.

Competency in Optometry Examination (COE) Activity

The following two tables report on the Written Examination component of the COE. Historically the number of candidates sitting the COE written examination has varied from year to year, although the pass rate has remained fairly constant over time at around 50 per cent. Candidate pass rates for the written examination in 2017-2018 were consistent with those in 2016-17.



The following two tables report on the COE Clinical Examination component. There were a higher number of candidates sitting the clinical examination in 2017-2018 than in 2016-2017, and the pass rate was slightly higher. OCANZ conducted an enhanced clinical examination for the first time in June 2018. The June 2018 examination session included a high number of candidates repeating the examination due to prior failure.



Other Work

In 2017/2018, key changes to the COE examination were implemented in line with recommendations previously made to OCANZ by expert reviewer Professor Brian Jolly. The changes included:

- Re-blueprinting of the four components of the COE to the *Optometry Australia Entry-level Competency Standards for Optometry 2014*, the latest competencies required by the profession.
- Written examination – Increasing the number of Multiple Choice Questions (MCQs) to 144, by including an additional 12 pilot questions within each examination paper.
- Skills Examination – Four skills previously tested were removed from the skills examination (Keratometry, Hard Contact Lenses, Vision Therapy and Colour Vision) and two new skills were included (Pupils and Subjective Refraction).
- Patient Examination – The marking rubric was redesigned to more closely align with the Competency Standards and to re-structure the examination to more closely reflect clinical practice.

During the year a style guide was developed for the written examination component of the COE. The guide covers both MCQ and SAQ formats, along with key elements of assessment theory and the item development process. The guide was subsequently used to train OCANZ item writers commissioned to develop 50 new questions for the written COE examination.

The questions for the OCANZ multiple choice question examination (MCQ) and short answer question examination (SAQ) were migrated into a modern, improved item bank to replace the current outdated information technology.

New candidate guides were prepared to advise candidates about the changes to the COE, and training was also conducted for assessors. OCANZ also employed quality assurance experts to oversee the first administration to the COE changes so that any unforeseen issues could be immediately addressed. Minor enhancements have been recommended and are currently being addressed as a result of this process.

6.0 FINANCE AND RISK REPORT

Finance and Risk Committee

The Committee oversees OCANZ internal financial systems and accountabilities, monitors the accuracy and timeliness of the financial and non-financial reporting to the Board, reviews annual audit findings and the annual financial statements before presentation to the Board for adoption, and monitors corporate risk, particularly financial risk, and the internal controls instituted in response to such risks.

The committee comprises three members appointed by the Board, including a Chair who must be a Board Director. The term of appointment for each committee member is two years. Members are eligible for re-appointment on two occasions only (maximum of six years in total), unless otherwise determined by the OCANZ Board. In order to ensure continuity of expertise, last year the Board extended Mr Mitchell Anjou's term on the committee for eight years until 16 March 2020. The committee met 4 times during the financial year.

Member	Date of Commencement	No. meetings eligible to attend	No. attended
Mr Tony Lund (Chair)	04/12/2015	4	4
Mr Mitchell Anjou	17/04/2012	4	4
Dr Linda Turner	09/12/2016	4	4

Financial Report Analysis 2017-2018

The subsequent Special Purpose Financial Report presents the finances of the Optometry Council of Australia and New Zealand for the financial year ended 30 June 2018. The following discussion and analysis is provided to assist readers to understand the financial performance and position of OCANZ in this period.

Statement of Comprehensive Income

The reported surplus from ordinary activities was \$18,229 (compared to a 2017 loss of \$19,312), a result that exceeded forecast expectations due mainly to additional revenue.

Total revenue increased by 7.9% in 2018, from \$697,617 in 2017 to \$752,639. This result was mostly attributable to increased examination candidate fees. The revenue from examinations increased by 10.8%, from \$268,270 in 2017 to \$290,270 in 2018, the result of a higher number of candidates paying slightly higher fees than in the previous year. The contributions from registration boards increased by 3%, from \$330,515 in 2017 to \$340,520. Accreditation revenue increased by 22.7%, or \$91,130 in 2018 against the previous \$74,264 in 2017. This increase is mainly attributable to additional accreditation revenue from a new applicant but also fee increases of 10% from the previous year approved by the OCANZ Board with the support of the registration Boards in Australia and New Zealand. Other income increased (from \$24,568 in 2017 to \$30,719 in 2018) due to a one-off grant of \$6,000 from the Victorian Optometrists Training and Education (VOTE) Trust Training and Education Grants 2017.

Total expenditure increased by 2.4% (from \$716,929 in 2017 to \$734,410 in 2018). Examination expenditure increased by 27.6%, from \$119,169 to \$152,040, reflecting mainly the cost of assessing additional candidates plus some additional overheads related to revised examination administration costs. Accreditation assessment panel costs were 33% less than the previous year (\$27,977 in 2017 and \$18,683 in 2018), reflecting that less accreditation site visits were required than in the previous year. These costs vary every year across an eight-year re-accreditation cycle depending on how much of the accreditation work program for any year requires assessment panel oversight.

Employee benefits expense increased by 4.8% from the previous year (\$314,473 in 2018 compared to \$299,810 in 2017), reflecting wage inflation plus limited additional staffing costs to manage the year's activities. Meeting costs increased (\$43,059 in 2018 compared to \$38,477 in 2017), particularly for the OCANZ committees. This increase partly reflects the timing of meetings each year but also the decision of Directors to restructure the work of the examination committee which increases its costs (committee costs were \$61,416 in 2018 compared to \$46,479 in 2017). There were cost savings in some areas of operation, for example office expenses (\$38,422 in 2018 compared to \$48,914 in 2017).

Project expenditure was \$60,927 in 2018 compared to \$95,926 in 2017. This investment funded implementation of an enhanced Competency in Optometry Examination to assess the competence of overseas trained optometrists for entry to practice in Australia and New Zealand, the development of a new framework to help accredited education providers address cultural safety for Aboriginal and Torres Strait Islander peoples in their programs of study and supported the development of the Board's new strategic plan and a revised OCANZ website.

Statement of Financial Position and Change in Equity

Total equity increased by 2.7% to \$684,929. Total retained earnings of \$684,929 comprised mainly cash at bank and held to maturity term deposits plus non-current property plant and equipment.

Statement of Cash Flows

There was a net cash inflow for 2017-2018 of \$26,782 resulting in a cash and cash equivalent balance of \$244,500 at the end of the financial year.

Other work - Finance and Risk Committee

In 2017-2018 the OCANZ Finance and Risk Committee, in addition to its regular oversight of the OCANZ budget and financial reporting, developed a new risk management framework for the management of the organisation's financial and operational risks which the OCANZ Board adopted in August 2017. The Finance and Risk Committee and OCANZ Board both now review the organisation's risks at every meeting.

The Committee again reviewed the annual business cases made to the Optometry Board of Australia and the Optometrists and Dispensing Opticians Board of New Zealand for funding and oversaw the setting of accreditation and examination fees taking into account national and international cost comparisons. The OCANZ Board's current policy remains to set accreditation and examination fees at a level which recoups: the direct costs of each function (assessors' and examiners' fees, travel, accommodation, exam production etc.) including staff overheads, and all committee costs associated with accreditation and examination processes. Fees do not cover the costs of policy development, establishing accreditation and examination standards, or the expenses associated with OCANZ governance and administration of the company.

Two new initiatives by the Finance and Risk Committee during the year included developing for the OCANZ Board's consideration a three-year rolling budget to commence in 2019, and the introduction of regular update reports to the Board on the financial progress of OCANZ projects. The development of a rolling budget has included a review of some budget assumptions and modelling elements to more closely reflect actual revenue and expenditure. The Board will consider the rolling budget proposed by the Finance and Risk Committee to take account of this re-modelling at its August 2018 meeting.

During the year the Committee recommended and the OCANZ Board approved a project to streamline the company's financial reporting through more efficient use of MYOB software. The project was completed at the end of financial year for introduction in 2019. The Committee also recommended and the Board approved funds to purchase new office computers (hardware and software) and to refresh the OCANZ website including the introduction of mobile and tablet viewing in addition to the previous desktop-only format. The new website went live in June 2018.

7.0 SPECIAL PURPOSE FINANCIAL REPORT 2017-2018

7.1 Directors' Report

The Directors present their report, together with the financial statements, on the company for the year ended 30 June 2018.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Mitchell D Anjou – retired 15 November 2017

Emeritus Professor Leo Carney

Dr Andrew Collins – appointed 15 November 2017

Mr Peter Grimmer – retired 15 November 2017

Associate Professor Peter Hendicott

Ms Wendy Hill

Associate Professor Robert Jacobs

Associate Professor Isabelle Jalbert

Mr Tony Lund

Dr Linda Turner

Dr Lynn Weekes

In compliance with Section 23 of the OCANZ Constitution, Rotation of Directors, Mr Mitchell D Anjou, Emeritus Professor Leo Carney and Mr Peter Grimmer retired as Directors at the Annual General Meeting 2017. Emeritus Professor Leo Carney, a registered optometrist, was re-appointed as the nominee of the Optometry Board of Australia. Mr Mitchell Anjou and Mr Peter Grimmer, also registered optometrists, were ineligible for re-appointment having served the maximum three terms permitted under the OCANZ Constitution. Dr Andrew Collins was appointed to one of the positions they vacated, with the final available position unfilled by the Annual General Meeting.

Objectives

The objects of OCANZ, as set out in its Constitution, are all of the following:

- a) To grant accreditation to Australian and New Zealand optometry schools, departments and academic units and the courses/programs conducted by them leading to eligibility for registration as an optometrist in Australia and New Zealand.
- b) At the OCANZ's discretion, to vary, withdraw or suspend any accreditation previously granted by the OCANZ in the event that OCANZ resolves that such accreditation should be varied, withdrawn or suspended.
- c) To assess for admission to practice in Australia and New Zealand overseas trained optometrists.
- d) To advise and make recommendations to the Optometry Board of Australia (OBA) and Optometrists and Dispensing Opticians Board (ODOB) and to assist on matters concerning the registration of optometrists.

- e) To provide information to any Governmental Agency relating to law and policy concerning the registration of optometrists in Australia and New Zealand.
- f) To provide information and advice to any Governmental Agency relating to law and policy concerning the adequacy or otherwise of a person's skills in the field of optometry for the purposes of migration to Australia or New Zealand.
- g) To assess Australian and New Zealand postgraduate courses of study in the field of optometry (including but not limited to ocular therapeutic drugs) for the purpose of granting, varying, withdrawing or suspending accreditation.
- h) To assess the therapeutic competence of optometrists registered in Australia or New Zealand who have completed a non-accredited course of study in ocular therapeutic drugs.
- i) To perform activities ancillary to the education and registration of optometrists and accreditation of optometry courses or any other incidental activity related to the objects described above.

OCANZ is continuing to meet its short-term objectives to:

- Safeguard organisational governance through use of efficient and effective business processes
- Ensure the standards for the accreditation of optometry programs and the standards for the examination of overseas trained optometrists remain best practice
- Continue to deliver the accreditation function as defined under agreements with the Registration Boards of Australia and New Zealand
- Continue to plan and develop, in consultation with key stakeholders, OCANZ strategy and resources in response to the outcomes of the Australian Accreditation Systems review and other external factors.

OCANZ long-term objectives remain to:

- Consolidate OCANZ's position as a leader in accreditation and assessment standards
- Advocate for standards and safety in optometry education
- Support and encourage the exchange of expertise and information relating to accreditation and assessment nationally and internationally.

Strategy to Achieving the Objectives

Directors have agreed a strategic plan to 30 June 2023 which is published on the OCANZ website at <http://ocanz.org/about/strategic-plan/>

OCANZ has established four subcommittees that help Directors to oversee the activities of OCANZ:

- An Accreditation Committee that oversees the accreditation of programs of study
- An Examination Eligibility Committee that determines candidate eligibility to sit the OCANZ examinations
- An Examination Committee that oversees the examination of overseas qualified optometrists and
- A Finance and Risk Committee that supports OCANZ Directors in ensuring sound financial control and risk management.

OCANZ engages with over 50 academics, clinicians, educationalists and experts in assessment to support its accreditation and examination activities.

OCANZ has a dedicated team of four staff to provide management and administrative oversight of OCANZ operational activities and to support the OCANZ committees. The staff are in regular communication with the OBA and ODOB with respect to registration matters and the Australian Government with respect to migration matters.

OCANZ has developed informal links with relevant accreditation and assessment bodies nationally and internationally and participates in the Health Professions Accreditation Collaborative Forum and the World Council of Optometry.

OCANZ collaborates with the Optometrists and Dispensing Opticians Board of New Zealand and the Optometry Board of Australia to support the achievement of OCANZ objectives.

Principal Activities

The Optometry Council of Australia and New Zealand (ABN 38 074 875 111) was registered as a company limited by guarantee in 1996.

The principal activity of OCANZ during the financial year was to provide the accreditation function as defined in the *Health Practitioners Regulation National Law (Victoria) Act 2009* (the National Law) to the Optometry Board of Australia, the optometric profession's registration body in Australia. The same activity (accreditation function) is also provided to the Optometrists and Dispensing Opticians Board of New Zealand.

The accreditation function has two primary activities - the examination of overseas trained optometrists, and the assessment, against agreed standards, of the optometry programs of study in Australia and New Zealand which lead to registration as an optometrist. Both functions provide a system of quality assurance for the Registration Boards that registered optometrists are competent to practise to contemporary standards.

There were no significant changes in the nature of the OCANZ's principal activities during the financial year.

Performance Measures

OCANZ has adopted a number of mechanisms to measure performance:

- OCANZ enacts annual business activity plans which outline a range of ways in which the OCANZ Board monitors and measures its performance
- OCANZ has published timelines for the processing of candidate application materials and the provision of results to candidates. Examination results are scrutinised externally to ensure transparency and accuracy
- OCANZ is currently assigned the role of providing the accreditation function for the Optometry Board of Australia as outlined in the National Law for a period of six years until 30 June 2019. OCANZ has recently been advised of a further five-year assignment until 30 June 2024. A new Service Agreement with the Australian Health Practitioner Regulation Authority (AHPRA) is being developed. The Service Agreement contains regular and defined performance reporting requirements
- The Finance and Risk Committee support the Directors in their oversight of the financial performance of OCANZ.

Information on Directors

Mr Mitchell D Anjou AM	
Qualifications	Bachelor of Science Optometry Melb, Master of Science Optometry Melb, Fellow Australian College of Optometry
Experience	Registered Optometrist, Optometry Board Australia; Senior Research Fellow, Academic Specialist, Melbourne School of Population and Global Health, The University of Melbourne; Member, Optometry Australia; Member/Fellow and Councillor, Australian College of Optometry; Member, Vision 2020 Australia and Optometry Australia, Aboriginal and Torres Strait Islander eye health committees; Foundation member and co-chair, Public Health Optometry Group (PHOG); Member, Grants Advisory Committee, Victorian Optometrists Training and Education Trust; Registration and Notifications Committee, Optometry Board Australia 2010-2016; Optometrists Registration Board of Victoria 2000-2010; Clinic Director, Australian College of Optometry 1992-2010; appointed Member of the Order of Australia in 2013 for significant service to optometry and public health, particularly in the Indigenous community
Special Responsibilities	O CANZ Finance and Risk Committee Member

Emeritus Professor Leo Carney	
Qualifications	Bachelor of Applied Science, Master of Science (Optometry), Doctor of Philosophy, Doctor of Science
Experience	Emeritus Professor, Queensland University of Technology; Previous Head of School, School of Optometry, and Director, Centre for Eye Research, Queensland University of Technology; Previous Professor and Associate Dean, College of Optometry, The Ohio State University; Member, Optometry Australia; Fellow, Cornea and Contact Lens Society of Australia; Fellow, American Academy of Optometry, Member, Association for Research in Vision and Ophthalmology
Special Responsibilities	O CANZ Accreditation Committee member from 26 February 2018

Dr Andrew Collins	
Qualifications	BOptom, MSc, PhD, CertOcPharm <i>Auckland</i>
Experience	Employed as Undergraduate Academic Director in the School of Optometry and Vision Science, University of Auckland; Member, New Zealand Association of Optometrists; Member, The Cornea and Contact Lens Society (NZ)

Mr Peter Grimmer	
Qualifications	Bachelor Science, Diploma Optometry, Certificate Ocular Pharmacology (therapeutics), Fellow of the American Academy of Optometry
Experience	Registered optometrist in private practice in New Zealand; Past Chair Optometrists and Dispensing Opticians Board; Past President New Zealand Society of Contact Lens Practitioners (now Cornea and Contact Lens Society NZ); member PHARMAC Pharmacology and Therapeutics Advisory Committee (Ophthalmology); External assessor Accident Compensation Corporation
Special Responsibilities	O CANZ Accreditation Committee Chair

Associate Professor Peter Hendicott

Qualifications	Diploma Applied Science (Optometry) <i>QIT</i> , Masters Applied Science, PhD, Graduate Certificate (Ocular Therapeutics) <i>QUT</i>
Experience	Associate Professor and previous Head of School, School of Optometry, Queensland University of Technology; Member, Optometry Queensland and Northern Territory; Chair, Education Sub-Committee, World Council of Optometry; Delegate of Optometry Australia to the Asian Pacific Council of Optometry; President and Chair, Executive Council, Asia Pacific Council of Optometry; Member, Board of Directors, World Council of Optometry
Special Responsibilities	OCANZ Board of Directors Chair

Ms Wendy Hill

Qualifications	Bachelor of Optometry <i>Rand Afrikaans University</i> , The Auckland Programme in Ocular Therapeutics (TAPIOT) <i>Auckland</i> , Approved Optometrist Glaucoma Prescriber NZ
Experience	Registered optometrist in private practice in New Zealand; Member, NZ Association of Optometrists; Member, Cornea and Contact Lens Society NZ; external examiner, University of Auckland

Associate Professor Robert Jacobs MNZM

Qualifications	Bachelor of Science (Optometry) <i>Melb</i> , LOSc, Master of Science (Optometry) <i>Melb</i> , PhD <i>Melb</i> , Certificate of Ocular Pharmacology, Graduate Diploma in Business (Health Management), The Auckland Programme in Ocular Therapeutics (TAPIOT) <i>Auckland</i>
Experience	Associate Professor, School of Optometry and Vision Science, University of Auckland; Member, Optometrists Panel, Health Practitioners Disciplinary Tribunal; Fellow, Australian College of Optometry; Member, NZ Association of Optometrists; Fellow, American Academy of Optometry; Member of the Editorial Board of the journal <i>Clinical and Experimental Optometry</i> ; appointed as a Member of the New Zealand Order of Merit 2017 for significant service to optometry and education
Special Responsibilities	OCANZ Board of Directors Deputy Chair/ OCANZ Examination Eligibility Committee Member

Associate Professor Isabelle Jalbert

Qualifications	Doctorat en optométrie <i>Montréal</i> ; PhD <i>UNSW</i> , Masters of Public Health <i>UNSW</i> , Postgraduate Certificate in Ocular Therapeutics <i>UNSW</i>
Experience	Associate Professor, School of Optometry and Vision Science, UNSW; Registered optometrist, Optometry Board of Australia; Member, Editorial Board and Associate Editor, <i>Clinical and Experimental Optometry</i> ; Fellow, American Academy of Optometry; Convenor, Evidence-Based Practice in Optometry Interest Group; Member, Optometry New South Wales; Member, Association for Vision Research in Ophthalmology; Member, International Society for Contact Lens Research; Member, Tear Film and Ocular Surface Society; Honorary member, Ordre des optométristes du québec; Member, Optometry Australia MBS Review Advisory Group; Associate Dean, International and Engagement, Faculty of Science, UNSW
Special Responsibilities	OCANZ Examination Committee Chair

Mr Tony Lund	
Qualifications	Master of Arts <i>Cambridge</i> ; Fellow Chartered Management Account, CIMA; JP NSW; MAICD
Experience	Director MHM Limited, Japan; Member Finance and Audit Committee, Beechworth Health Service; Director Copyright Licensing and Administration Society of Singapore; Member, China Book International Advisory Board; Company Secretary, The Australian Society of Authors. Formerly: Managing Director Asia and Regional Finance Director, Asia Pacific, Cambridge University Press; Joint Education Company, China
Special Responsibilities	OCANZ Finance and Risk Committee Chair

Dr Linda Turner	
Qualifications	Doctor of Business Administration <i>Southern Cross</i> , Bachelor of Arts, Bachelor of Commerce and Master of Commerce <i>Auckland</i> , Dip Teaching, <i>NSTC, Auckland</i> , FCA; GAICD
Experience	Fellow, Chartered Accountant; Graduate and Member, The Australian Institute of Company Directors; Business academic, University of Melbourne; Non-Executive Director Surveyors Registration Board of Victoria (SRBV)
Special Responsibilities	OCANZ Finance and Risk Committee Member; OCANZ Accreditation Committee Member

Dr Lynn Weekes AM	
Qualifications	Bachelor of Pharmacy <i>Syd</i> , MSc <i>Syd</i> , PhD <i>UNSW</i> , GAICD
Experience	Former Chief Executive Officer and Board Director of NPS MedicineWise; Adjunct Professor University of Queensland; Non Executive Director National Return Unwanted Medicines; Director, Health Strategy and Sciences Pty Ltd; Registered pharmacist; Reviewer <i>Annals of Pharmacotherapy</i> , <i>Medical Journal of Australia</i> , <i>British Journal of Clinical Pharmacology</i> , <i>Journal of Pharmacy Practice and Research</i> ; appointed as a Member of the Order of Australia 2013 for significant service to Australian community health through the promotion of quality use of medicines.

Meetings of Directors

The number of meetings of the company's Board of Directors ('the Board') and each Board committee held during the year ended 30 June 2018, and the number of meetings attended by each Director were:

	Directors' Meetings		Committee Meetings	
	Attended	Held	Attended	Held
Mr Mitchell Anjou	2	2	4	4
Emeritus Professor Leo Carney	4	5	-	-
Dr Andrew Collins	3	3	-	-
Mr Peter Grimmer	2	2	3	3
Associate Professor Peter Hendicott	4	5	-	-
Ms Wendy Hill	5	5	-	-
Associate Professor Robert Jacobs	5	5	2	2
Dr Isabelle Jalbert	4	5	6	6
Mr Tony Lund	3	5	4	4
Dr Linda Turner	5	5	7	7
Dr Lynn Weekes	5	5	-	-

'Held' represents the number of meetings held during the time the Director was in office or was a member of the relevant committee.

Contributions on Winding Up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each towards any outstanding obligations of the company.

At 30 June 2018 the total amount that members of the company are liable to contribute if the company is wound up is \$50, based on 5 current ordinary members.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

Signed on behalf of the Directors



Director

.....
Dated this 19th day of October 2018

7.2 Auditor's Independence Declaration



AUDITOR'S INDEPENDENCE DECLARATION UNDER DIVISION 60 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE DIRECTORS OF OPTOMETRY COUNCIL OF AUSTRALIA & NEW ZEALAND

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Matthew Hung', with a stylized flourish at the end.

Matthew Hung, CA
rdl.accountants

19 October 2018
Blackburn, Victoria

OPTOMETRY COUNCIL OF AUSTRALIA AND NEW ZEALAND

7.3 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2018

	Note	2018 \$	2017 \$
Revenue	4	752,639	697,617
		752,639	697,617
Assessment panels		(18,683)	(27,977)
Office expenses		(38,422)	(48,914)
Employee benefits expense		(314,473)	(299,810)
Examination costs		(152,040)	(119,169)
Depreciation and amortisation expense		(8,402)	(9,854)
Major projects		(60,927)	(95,926)
Meeting costs		(61,416)	(46,479)
Rent and occupancy expense		(43,059)	(38,477)
Professional fees		(15,037)	(20,466)
Miscellaneous		(15,447)	(3,420)
Bank service charges		(6,504)	(6,437)
		(734,410)	(716,929)
Surplus/(deficit) before income tax expense		18,229	(19,312)
Income tax expense		-	-
Surplus/(deficit) after income tax expense for the year attributable to the members of Optometry Council of Australia & New Zealand		18,229	(19,312)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Optometry Council of Australia & New Zealand		18,229	(19,312)

OPTOMETRY COUNCIL OF AUSTRALIA AND NEW ZEALAND

7.4 STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30TH JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	244,500	217,718
Trade and other receivables	6	(3,643)	6,149
Held-to-maturity investments	7(a)	669,312	518,785
TOTAL CURRENT ASSETS		910,169	742,652
NON-CURRENT ASSETS			
Held-to-maturity investments	7(b)	-	150,000
Property, plant and equipment	8	22,485	20,575
TOTAL NON-CURRENT ASSETS		22,485	170,575
TOTAL ASSETS		932,654	913,227
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	209,473	217,526
Employee benefits	10(a)	31,921	21,935
TOTAL CURRENT LIABILITIES		241,394	239,461
NON-CURRENT LIABILITIES			
Employee benefits	10(b)	6,331	7,066
TOTAL NON-CURRENT LIABILITIES		6,331	7,066
TOTAL LIABILITIES		247,725	246,527
NET ASSETS		684,929	666,700
EQUITY			
Retained earnings	11	684,929	666,700
TOTAL EQUITY		684,929	666,700

OPTOMETRY COUNCIL OF AUSTRALIA AND NEW ZEALAND

7.5 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2018

2018

	Retained Earnings \$	Total \$
Balance at 1 July 2017	666,700	666,700
Surplus after income tax expense for the year	18,229	18,229
Other comprehensive income for the year, net of tax	-	-
Balance at 30 June 2018	684,929	684,929

2017

	Retained Earnings \$	Total \$
Balance at 1 July 2016	686,012	686,012
Deficit after income tax expense for the year	(19,312)	(19,312)
Other comprehensive income for the year, net of tax	-	-
Balance at 30 June 2017	666,700	666,700

OPTOMETRY COUNCIL OF AUSTRALIA AND NEW ZEALAND

7.6 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from AHPRA		306,000	297,000
Payments to suppliers and employees		(711,626)	(617,013)
Receipts from New Zealand Board		34,520	33,515
Receipts from Examination Candidates		299,531	362,521
Interest received		19,784	24,513
Interest paid		(6,504)	(6,437)
Receipts from Accreditations		85,110	74,263
Sundries		10,806	3,545
Net cash provided by/(used in) operating activities	13	37,621	171,907
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for property, plant and equipment		(10,312)	-
Proceeds from / (payments for) investments		(527)	1,079
Net cash provided by/(used in) investing activities		(10,839)	1,079
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase/(decrease) in cash and cash equivalents held		26,782	172,986
Cash and cash equivalents at beginning of year		217,718	44,732
Cash and cash equivalents at end of financial year	5	244,500	217,718

OPTOMETRY COUNCIL OF AUSTRALIA AND NEW ZEALAND

7.7 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

The financial report covers Optometry Council of Australia & New Zealand as an individual entity. Optometry Council of Australia & New Zealand is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the company for the year ended 30 June 2018 were...

The functional and presentation currency of Optometry Council of Australia & New Zealand is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Summary of Significant Accounting Policies

(a) Income Tax

The company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

Other income is recognised on an accruals basis when the company is entitled to it.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the company, commencing when the asset is ready for use.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Office Furniture & Equipment	5-10 years
Computer Equipment	2-3 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the company's management to hold them until maturity.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

(h) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The company has decided not to early adopt these Standards and their impact on the company where the standard is relevant has not yet been assessed.

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. The impairment provision is based on the best information at the reporting date.

Key estimates - useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

4 Revenue and Other Income

Revenue from continuing operations

	2018	2017
	\$	\$
- Interest	19,913	21,022
- Examination fees	290,270	268,270
- AHPRA contribution	306,000	297,000
- Accreditation	91,130	74,264
	2018	2017
	\$	\$
- New Zealand board	34,520	33,515
- Other revenue	10,806	3,546
Total Revenue	752,639	697,617

5 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash at bank	244,500	217,718
	244,500	217,718

6 Trade and Other Receivables

	2018	2017
	\$	\$
Trade receivables	(14,320)	(4,400)
Other receivables	10,677	10,549
Total current trade and other receivables	(3,643)	6,149

7 Held-to-maturity investments

(a) Current

	2018	2017
	\$	\$
Term deposits	651,162	500,635
Bank guarantee	18,150	18,150
Total	669,312	518,785

(b) Non-current

	2018	2017
	\$	\$
Term deposits	-	150,000
	-	150,000

8 Property, plant and equipment

Office furniture		
At cost	4,518	4,518
Accumulated depreciation	(3,015)	(2,683)
Total office furniture	<u>1,503</u>	<u>1,835</u>
Office equipment		
At cost	17,159	16,072
Accumulated depreciation	(7,767)	(5,419)
Total office equipment	<u>9,392</u>	<u>10,653</u>
Computer equipment		
At cost	48,253	38,093
Accumulated depreciation	(36,663)	(30,006)
Total computer equipment	<u>11,590</u>	<u>8,087</u>
Total property, plant and equipment	<u>22,485</u>	<u>20,575</u>

9 Trade and Other Payables

	2018	2017
Note	\$	\$
Trade payables	65,267	43,888
Exam fees in advance	19,715	28,775
BAS payable	1,449	13,464
Credit card	1,367	3,044
Accreditation fees	121,675	128,355
	<u>209,473</u>	<u>217,526</u>

10 Employee Benefits**(a) Current liabilities**

	2018	2017
	\$	\$
Annual and long service leave	31,921	21,935
	<u>31,921</u>	<u>21,935</u>

(b) Non-current liabilities

	2018	2017
	\$	\$
Long service leave	6,331	7,066
	<u>6,331</u>	<u>7,066</u>

11 Retained Earnings

	2018	2017
	\$	\$
Retained surpluses at the beginning of the financial year	666,700	686,011
Surplus/(deficit) after income tax expense for the year	18,229	(19,311)
Retained earnings at end of the financial year	684,929	666,700

12 Auditors' Remuneration

During the year the following fees were paid or payable for services provided by RDL Accountants, the auditors of the company:

	2018	2017
	\$	\$
Audit services - RDL Accountants		
- audit of the financial statements	5,887	5,785
- other services	6,650	-
Total	12,537	5,785

13 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2018	2017
	\$	\$
Surplus/(deficit) after income tax expense for the year	18,229	(19,312)
Non-cash flows in profit:		
- depreciation	8,402	9,854
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	9,792	97,740
- increase/(decrease) in trade and other payables	(8,053)	72,005
- increase/(decrease) in employee benefits	9,251	11,620
Cashflows from operations	37,621	171,907

14 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

15 Statutory Information

The registered office and principal place of business of the is:

Optometry Council of Australia & New Zealand
Level 10, Suite 1003
167 Queen Street
MELBOURNE VIC 3000

8.0 DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 18, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*. and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 2 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Director

.....
Dated this 19th day of October 2018

9.0 INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTOMETRY COUNCIL OF AUSTRALIA & NEW ZEALAND

Report on the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Optometry Council of Australia & New Zealand (the company), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the financial report of Optometry Council of Australia & New Zealand has been prepared in accordance with Division 60 of the *Australian and Not-for-profits Commission Act 2012*, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with Division 60 of the *Australian and Not-for-profits Commission Act Regulation 2013*.

Basis for Opinion

We have conducted our audit in accordance with the Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the ethical requirements of the *Australian and Not-for-profits Commission Act 2012* and the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Matthew Hung, CA
rdl.accountants

19 October 2018
Blackburn, Victoria